BEFORE THE FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION

In The Matter Of:

NEXT TO NOTHING OF MADISON, INC., DBA MADISON JEAN CO.,

Respondent.

Docket No. FMCSA-2009-0171¹ (Midwestern Service Center)

ORDER TERMINATING PROCEEDING AND CLOSING DOCKET

On August 4, 2009, the Field Administrator for the Federal Motor Carrier Safety

Administration's Midwestern Service Center (Claimant) submitted a Notice of Settlement

and Motion to Close the Docket. Claimant and Respondent entered into a Settlement

Agreement which resolves the matters at issue here.

Under the Settlement Agreement, which was executed on July 9, 2009, and adopted as a Final Order,² Respondent agreed to pay \$1,400 in eight consecutive monthly installment payments, with \$600 of the original civil penalty amount being suspended, conditioned upon: (1) Respondent not receiving any acute violations or a 10% or greater rate of critical violations in 49 CFR part 382 during any compliance review within two years from the execution of the Agreement,³ and (2) Respondent paying the non-suspended portion of the civil penalty in accordance with the terms of the Agreement.⁴

¹ The prior case number was WI-2009-0229-US1199.

² Settlement Agreement, paragraph 10.

³ Settlement Agreement, paragraph 5.

⁴ The Notice of Claim originally proposed a civil penalty of \$2,000.

The second and third sentences of paragraph 10 of the Settlement Agreement state that: "Failure to pay in accordance with the terms of this Agreement will result in the loss of any reductions in penalties for all valid claims, and the full amount of \$2,000.00 will be immediately due and payable (less any payments made). Thus, if payment is not received by the due date, the payment plan set out above will be void, and the FMCSA will take steps to immediately collect \$2,000.00, less any payment made by Respondent." (Emphasis supplied.) We recently held that such language was impermissible because it did not comply with 49 CFR 386.22(a)(1)(vi) and that the two quoted sentences were void. However, paragraph 14 of the Agreement provides that if any provision of the Agreement is held invalid or illegal, the Agreement shall be construed as if it did not contain the invalid or illegal provision.

Pursuant to our decision in *Golden Eagle Transit*, Claimant will not be able to seek reinstatement of the suspended amount of the original civil penalty if Respondent does not satisfactorily comply with 49 CFR part 382, as provided in paragraph 5 of the Agreement. Nevertheless, I conclude that the settlement without the two sentences declared void in *Golden Eagle Transit* is in the public interest, and, accordingly, it is accepted.⁶

THEREFORE, It Is Hereby Ordered, the Settlement Agreement is the Final Order

⁵ See In the Matter of Golden Eagle Transit, Inc., Docket No. FMCSA-2009-0044, Final Agency Order: Order on Reconsideration, July 10, 2009. The regulation requires the settlement agreement to provide that failure to pay may result in the loss of any reductions in penalties.

⁶ See 49 CFR 386.22.

in this matter, the proceeding is dismissed, and the docket is closed.

Rose A. McMurray

Assistant Administrator

Federal Motor Carrier Safety Administration

12.15.09

Date

CERTIFICATE OF SERVICE

This is to certify that on this <u>lb</u> day of <u>December</u>, 2009, the undersigned mailed or delivered, as specified, the designated number of copies of the foregoing document to the persons listed below.

Brian R. Hetzel, President

Madison Jean Co.

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